

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES  
INBOUND PARCEL POST (AT UPU RATES)

Docket No. CP2023-54

**NOTICE OF THE UNITED STATES POSTAL SERVICE OF FILING  
CHANGES IN RATES NOT OF GENERAL APPLICABILITY FOR  
INBOUND PARCEL POST (AT UPU RATES),  
AND NOTICE OF FILING NON-PUBLIC MATERIALS UNDER SEAL**  
(November 22, 2022)

The United States Postal Service (Postal Service) hereby gives notice of a change in rates not of general applicability for its Inbound Parcel Post (at Universal Postal Union (UPU) Rates) product; these rates would take effect January 1, 2023.

The Postal Regulatory Commission (Commission) previously determined that Inbound Air Parcel Post (at UPU Rates) is appropriately classified as a competitive product and that an initial review of the rates indicated compliance with statutory requirements.<sup>1</sup> On August 19, 2014, in PRC Order No. 2160, the Commission determined that Inbound Surface Parcel Post (at UPU Rates) also is appropriately classified as a competitive product and that an initial review of the rates indicated compliance with statutory requirements.<sup>2</sup> As part of the Order No. 2160, Inbound Air Parcel Post (at UPU Rates) and Inbound Surface Parcel Post (at UPU Rates) were merged into a single product identified as Inbound Parcel Post (at UPU Rates).

The Decision of the Governors of the United States Postal Service on the Establishment of Prices and Classifications for Domestic Competitive Agreements,

---

<sup>1</sup> PRC Order No. 362, Order Adding Inbound Air Parcel Post at UPU Rates to Competitive Product List, Docket Nos. MC2010-11 and CP2010-11, December 15, 2009, at 8-9.

<sup>2</sup> PRC Order No. 2160, Order Approving Product List Transfer, Docket No. MC2014-28, August 19, 2014, at 8.

Outbound International Competitive Agreements, Inbound International Competitive Agreements, and Other Non-published Competitive Rates (Governors' Decision No. 19-1), issued on February 7, 2019, authorized rates for, among other things, "other non-published competitive rates" that are "not of general applicability" and also "that are not embodied in contractual instruments." As in the past, this would include certain rates issued by operation of the Universal Postal Convention.

With this filing, the Postal Service notifies the Commission of changes to the rates for Inbound Parcel Post (at UPU Rates) that are intended to take effect January 1, 2023.<sup>3</sup> This includes the Air Parcel and Surface Parcel rates within the Inbound Parcel Post (at UPU Rates) product. This is the same scenario for which the Commission favorably reviewed rates in effect for the periods beginning January 1, 2017, July 1, 2017, January 1, 2018, July 1, 2018, January 1, 2019, January 1, 2020, July 1, 2020, January 1, 2021, January 1, 2022, and July 1, 2022, in PRC Order Nos. 3716, 3985, 4308, 4655, 4933, 5385, 5564, 5787, 6072, and 6191, respectively.<sup>4</sup>

The Postal Service's unredacted rates and other supporting documents are being filed separately under seal with the Commission. The Postal Service's Application for Non-public Treatment of those materials is included with this Notice as Attachment 1. A redacted copy of Governors' Decision No. 19-1 is included as Attachment 2. A redacted

---

<sup>3</sup> This filing does not concern rates for ECOMPRO parcels.

<sup>4</sup> See Order Acknowledging Changes in Prices for Inbound Parcel Post (at UPU Rates), PRC Order No. 3716, December 30, 2016; Order Acknowledging Changes in Prices for Inbound Parcel Post (at UPU Rates), PRC Order No. 3985, June 29, 2017; Order Acknowledging Changes in Prices for Inbound Parcel Post (at UPU Rates), PRC Order No. 4308, December 28, 2017; Order Acknowledging Changes in Prices for Inbound Parcel Post (at UPU Rates), PRC Order No. 4655, June 20, 2018; Order Acknowledging Changes in Prices for Inbound Parcel Post (at UPU Rates), PRC Order No. 4933, December 19, 2018; Order Acknowledging Changes in Prices for Inbound Parcel Post (at UPU Rates), PRC Order No. 5385, December 31, 2019; Order Acknowledging Changes in Prices for Inbound Parcel Post (at UPU Rates), PRC Order No. 5564, June 25, 2020; Order Acknowledging Changes in Prices for Inbound Parcel Post (at UPU Rates), PRC Order No. 5787, Dec. 22, 2020; Order Acknowledging Changes in Prices for Inbound Parcel Post (at UPU Rates), PRC Order No. 6072, Dec. 21, 2021; Order Acknowledging Changes in Prices for Inbound Parcel Post (at UPU Rates), PRC Order No. 6191, June 7, 2022.

version of UPU International Bureau (IB) Circular No. 186 (dated November 21, 2022) is included as Attachment 3.<sup>5</sup> The new Postal Service rates appear on page 11 of Attachment 3. A certification pursuant to 39 C.F.R. § 3035.105(c)(2) is included as Attachment 4. Redacted Postal Service data being used by the UPU to justify any bonus payments are included in Attachment 5; for reasons explained below, these data relate to the pre-pandemic performance period of August 2019 through January 2020.<sup>6</sup> A copy of the Postal Service's submission to the UPU in support of an inflation-linked adjustment is included as Attachment 6.<sup>7</sup> A redacted Excel version of the supporting financial documentation also accompanies this filing.

***I. Explanation of Rates*** -- New UPU Rates for Inbound Parcel Post.

As noted above, Attachment 3 consists of UPU IB Circular No. 186 dated November 21, 2022, by which the UPU gave notice of the rates for the Inbound Parcel Post (at UPU Rates) product to take effect on January 1, 2023. Under the UPU's ordinary procedures, service performance during the six-month period of February 2022 through July 2022 would have served as the basis for adjusting the January 2023 parcel rates based on service performance bonuses. However, in light of the COVID-19 pandemic that continued to affect the performance of numerous postal operators during that six-month period as a force majeure event, the UPU's Postal Operations Council

---

<sup>5</sup> The Application in Attachment 1 requests non-public treatment of the Postal Service's inbound rates and its related performance results appearing in the other attachments. The UPU also issued the inbound rates for other countries' postal operators and their related performance results. Those other countries' inbound rates and performance results (in Attachments 3 & 5) are redacted (even in the non-public versions of this filing) because they are not only sensitive business information of the foreign posts, but they are also irrelevant to this filing concerning the Postal Service's inbound rates.

<sup>6</sup> The original UPU "6-Months Parcels Measurement Report" document included 67 numbered pages. Attachment 5 to this Notice contains redacted copies of only those pages displaying the Postal Service's inbound consolidated results and outbound consolidated results used to assess bonuses. As in past dockets using this same document, other pages and data not displayed in the attachment consist of other outbound data, non-consolidated data, and performance results of other countries' operators, which are irrelevant to this docket and are excluded or redacted (even in the non-public version) in Attachment 5.

<sup>7</sup> Such submission was emailed to the UPU IB on August 19, 2022.

(POC) decided instead to base the January 2023 parcel rates on performance during the last six-month period prior to the pandemic (that is, the period from August 2019 through January 2020). That was the same performance period on which parcel rates were based for UPU rates taking effect in July 2020, January 2021, July 2021, January 2022, and July 2022.<sup>8</sup> To show the performance data and bonuses from the August 2019 through January 2020 period, the Postal Service has submitted excerpts from the corresponding UPU documents reflecting that earlier period; in particular, Attachment 5 contains the Postal Service's performance data from that period.

## ***II. Application for Non-public Treatment***

The Postal Service maintains that certain portions of the Governors' Decision, the rates, the service feature and bonus data, and related financial information should remain confidential. The Postal Service provides its Application for Non-public Treatment of materials filed under seal as Attachment 1.

## ***III. Management Analysis***

In PRC Order No. 2310, the Commission requested that the Postal Service provide an update to the Management Analysis supporting of the establishment of rates for Inbound Air Parcel Post (at UPU Rates) as requested in PRC Order No. 2102.

Specifically, the Commission requested in Order No. 2102 (at 6):

data and information concerning the Postal Service's submission of formal documentation to the UPU in support of an inflation-linked adjustment for the inward land rate it receives from other postal administrations and transmission of responses to the UPU survey to justify bonus payments; the date the UPU advises the United States that the inward land rate applicable to its inbound air parcels would be per item plus per kilo special drawing rights (SDRs); the inward land rate calculation for the pertinent year (or period); the SDR equivalent in U.S. dollars; and the estimated cost coverage for the pertinent calendar year.

---

<sup>8</sup> The inward land rates for the U.S. Postal Service did not change in July 2021 or July 2022.

In response, the Postal Service provides the following with respect to the successor Inbound Parcel Post (at UPU Rates) product:

- The Postal Service is transmitting (within Attachment 5) the data being used by the UPU to justify any bonus payments. As explained on the last page of the Circular distributing the new rates (page 22 of Attachment 3 to this Notice), the data relate to the period August 2019 through January 2020, rather than February 2022 through July 2022, due to the application of force majeure from the pandemic.
- The Postal Service has included (as Attachment 6) the Postal Service's documentation submitted to the UPU in support of an inflation-related adjustment. Although the documentation reflects an inflation rate of 8.5% for the period of July 2021 to July 2022, the UPU Convention Regulations article 33-202.1.1 caps the inflation-related adjustment at 5%.
- The date that the UPU advised the United States of the provisional Inward Land Rates and the calculation<sup>9</sup> for the pertinent period was November 21, 2022, as shown on page 1 of the UPU IB Circular accompanying this Notice as Attachment 3. The original date of notification of these rates was September 26, 2022, when the UPU issued Circular No. 161; the UPU subsequently issued Circular No. 186 on November 21, 2022. As stated on page 1 of Attachment 3, Circular No. 186 superseded Circular No. 161, although the rates for the parcels dispatched to the United States are the same in both Circulars.

---

<sup>9</sup> The Inward Land Rates calculation is performed by the UPU based on data provided by the Postal Service. The UPU's calculation is explained on pages 1 & 22 of Attachment 3 and the introductory pages of Attachment 5.

- The SDR conversion rate to U.S. dollars (USD) used for the cost coverage analysis was 1 SDR is equal to \$1.28329 USD.<sup>10</sup>
- The estimated cost coverage for the pertinent year is available in the attached financial information. The financial information show that the Inbound Parcel Post (at UPU Rates) product should cover its attributable costs, preclude the subsidization of competitive products by market dominant products, and not impair the ability of competitive products on the whole to cover an appropriate share of institutional costs.

In PRC Order No. 4933, for future filings for prices for Inbound Parcel Post (at UPU Rates), the Commission further directed the Postal Service to provide citations and copies of the relevant IB Circulars and updates to the inflation-linked adjustment. The Postal Service has provided these citations above and has included a copy of the IB Circular as Attachment 3 and the inflation-linked adjustment documentation as Attachment 6.

#### ***IV. Conclusion***

For the reasons discussed above, the Postal Service has established that the new rates for Inbound Parcel Post (at UPU Rates) will be in compliance with the requirements of 39 U.S.C. § 3633(a)(2) and 39 C.F.R. § 3035.107. Accordingly, the Postal Service respectfully submits that it has met its burden of providing notice to the Commission of changes in rates for the Inbound Parcel Post (at UPU Rates) product within the scope authorized under Governors' Decision No. 19-1, as required by 39

---

<sup>10</sup> This conversion rate is based on the publication of the SDR value by the International Monetary Fund (IMF) on October 31, 2022. The conversion rate at the time of settlement may vary based on the IMF value of the SDR at time of settlement.

U.S.C. § 3632(b)(3), and requests favorable review of the UPU rates to take effect on January 1, 2023.

Respectfully submitted,

UNITED STATES POSTAL SERVICE  
By its attorneys:

Anthony F. Alverno  
Chief Counsel,  
Global Business and Service Development

Jeffrey A. Rackow  
Attorney

475 L'Enfant Plaza, S.W.  
Washington, D.C. 20260-1101  
(202) 268-6687  
jeffrey.a.rackow@usps.gov  
November 22, 2022

**APPLICATION OF THE UNITED STATES POSTAL SERVICE  
FOR NON-PUBLIC TREATMENT OF MATERIALS**

In accordance with 39 C.F.R. § 3011, the United States Postal Service (Postal Service) hereby applies for non-public treatment of certain materials filed with the Commission in these dockets. The materials pertain to the establishment of prices and classifications not of general applicability for Inbound Parcel Post (at UPU Rates) established in Governors' Decision 19-1. The rates and supporting documents establishing compliance with 39 U.S.C. §§ 3632-3633 and 39 C.F.R. §§ 3035.105 and 3035.107 are being filed separately under seal with the Commission. Redacted copies of these materials are filed publicly, including redacted versions of supporting financial documentation filed as separate Excel documents.

The Postal Service hereby furnishes the justification required for this application by 39 C.F.R. § 3011.201(b) below.

**(1) The rationale for claiming that the materials are non-public, including the specific statutory basis for the claim, and a statement justifying application of the provision(s);**

The materials designated as non-public consist of information of a commercial nature that under good business practice would not be publicly disclosed. In the Postal Service's view, this information would be exempt from mandatory disclosure pursuant to 39 U.S.C. § 410(c)(2) and 5 U.S.C. § 552(b)(3) and (4).<sup>1</sup> Because the portions of the materials that the Postal Service is filing only under seal fall within the scope of

---

<sup>1</sup> In appropriate circumstances, the Commission may determine the appropriate level of confidentiality to be afforded to such information after weighing the nature and extent of the likely commercial injury to the Postal Service against the public interest in maintaining the financial transparency of a government establishment competing in commercial markets. 39 U.S.C. § 504(g)(3)(A). The Commission has indicated that "likely commercial injury" should be construed broadly to encompass other types of injury, such as harms to privacy, deliberative process, or law enforcement interests. PRC Order No. 194, Second Notice of Proposed Rulemaking to Establish a Procedure for According Appropriate Confidentiality, Docket No. RM2008-1, Mar. 20, 2009, at 11.



information not required to be publicly disclosed, the Postal Service asks the Commission to concur with its determination that these materials are exempt from public disclosure and grant its application for their non-public treatment.

**(2) A statement of whether the submitter, any person other than the submitter, or both have a proprietary interest in the information contained within the nonpublic materials, and the identification(s) specified in paragraphs (b)(2)(i) through (iii) of this section (whichever is applicable). For purposes of this paragraph, identification means the name, phone number, and email address of an individual;<sup>2</sup>**

In the case of the UPU rates such as those at issue here, the Postal Service believes that the foreign postal operators whose governments are members of the UPU are third parties with a proprietary interest in the materials. Due to language and cultural differences as well as the sensitive nature of the Postal Service's rate relationship with the affected foreign postal operators, the Postal Service proposes that a designated Postal Service employee serve as the point of contact for any notices to the relevant postal operators. The Postal Service identifies as an appropriate contact person Jeffrey A. Rackow, Attorney, United States Postal Service. Mr. Rackow's phone number is (202) 268-6687, and his email address is jeffrey.a.rackow@usps.gov.

Moreover, the Postal Service, in conjunction with the United States Department of State, requested that the Universal Postal Union (UPU) International Bureau (IB)

---

<sup>2</sup> Section 3011.201(b)(2) further states the following:

(i) If the submitter has a proprietary interest in the information contained within the materials, identification of an individual designated by the submitter to accept actual notice of a motion related to the non-public materials or notice of the pendency of a subpoena or order requiring production of the materials.

(ii) If any person other than the submitter has a proprietary interest in the information contained within the materials, identification of each person who is known to have a proprietary interest in the information. If such an identification is sensitive or impracticable, an explanation shall be provided along with the identification of an individual designated by the submitter to provide notice to each affected person.

(iii) If both the submitter and any person other than the submitter have a proprietary interest in the information contained within the non-public materials, identification in accordance with both paragraphs (b)(2)(i) and (ii) of this section shall be provided. The submitter may designate the same individual to fulfill the requirements of paragraphs (b)(2)(i) and (ii) of this section.

issue a Circular notice to all countries and designated operators informing each of its rights under 39 C.F.R. § 3011.204. This notification was published by the IB in Circular No. 178 on November 8, 2021. Specifically, the notice informs all countries and UPU designated operators that the Postal Service will be regularly submitting certain business information to the Commission. The Circular includes information on how third parties may address any confidentiality concerns with the Commission. In addition, contact information for all UPU designated operators is available at the following link, which is incorporated by reference into the instant application:

[http://pls.upu.int/pls/ap/addr\\_public.display\\_addr?p\\_language=AN](http://pls.upu.int/pls/ap/addr_public.display_addr?p_language=AN).<sup>3</sup>

**(3) A description of the materials claimed to be non-public in a manner that, without revealing the materials at issue, would allow a person to thoroughly evaluate the basis for the claim that they are non-public;**

In connection with its Notice filed in these dockets, the Postal Service included its new rates, Governors' Decision No. 19-1, data on service features justifying its rate bonuses, and supporting documentation in the form of financial work papers. These materials were filed under seal, with redacted copies filed publicly.<sup>4</sup> The Postal Service maintains that the redacted portions of the rate charts, data supporting bonuses and adjustments, Governors' Decision, and related financial information should remain confidential. The redacted copy of the Governors' Decision No. 19-1 is filed publicly in accordance with Order No. 5553 in Docket No. CP2020-120.<sup>5</sup>

---

<sup>3</sup> To the extent required, the Postal Service seeks a waiver from having to provide each foreign postal operator notice of these dockets. It is impractical to communicate with dozens of operators in multiple languages about this matter. Moreover, the volume of filings would overwhelm both the Postal Service and the applicable foreign postal operators with boilerplate notices.

<sup>4</sup> The non-public versions of Attachments 3 & 5 maintain redactions for data with respect to countries other than the United States; the rate and performance data for other countries' operators are not relevant in this docket.

<sup>5</sup> Notice of the United States Postal Service in Compliance with Order No. 5553, Docket No. CP2020-120, June 24, 2020.

The redactions applied to the rate charts, bonus data, Governors' Decision, and related financial work papers protect commercially sensitive information such as rates, underlying costs and assumptions, performance data, pricing formulas, and cost coverage projections. To the extent practicable, the Postal Service has limited its redactions to the actual information it has determined to be exempt from disclosure under 5 U.S.C. § 552(b).

**(4) Particular identification of the nature and extent of commercial harm alleged and the likelihood of such harm;**

If the portions of the rate charts, service performance bonus and rate adjustment data, Governors' Decision No. 19-1, and related financial work papers that the Postal Service determined to be protected from disclosure due to their commercially sensitive nature were to be disclosed publicly, the Postal Service considers that it is quite likely that it would suffer commercial harm. Information about pricing and service performance is commercially sensitive, and the Postal Service does not believe that it would be disclosed under good business practices. Competitors could use the information to assess the rates charged by the Postal Service to foreign postal operators for any possible comparative vulnerabilities and focus sales and marketing efforts on those areas, to the detriment of the Postal Service. The Postal Service considers this to be a highly probable outcome that would result from public disclosure of the redacted material.

The financial work papers include specific information such as costs, projections of variables, and cost coverage. All of this information is highly confidential in the business world. If this information were made public, the Postal Service's competitors would have the advantage of being able to assess the Postal Service costs and pricing.

Thus, competitors would be able to take advantage of the information to offer lower pricing to customers (which can include foreign posts, which are not required to use the Postal Service for delivery of parcels destined to the United States), while subsidizing any losses with profits from other customers. Eventually, this could freeze the Postal Service out of the relevant inbound delivery services market. Additionally, foreign postal operators or other potential customers could use costing information to their advantage in negotiating the terms of their own agreements with the Postal Service. Given that these spreadsheets are filed in their native format, the Postal Service's assessment is that the likelihood that the information would be used in this way is great.

Potential customers (which can include foreign posts) could also deduce from the rates provided in the work papers whether additional margin for net profit exists. From this information, each foreign postal operator or customer could attempt to negotiate ever-decreasing prices, such that the Postal Service's ability to negotiate competitive yet financially sound rates would be compromised.

Competitors could also exploit the non-public service performance and rate adjustment data. Such information is commercially sensitive, as it may reveal the relative strengths and weaknesses of the Postal Service. Competitors would gain a competitive advantage that the Postal Service lacks, as it would not have access to the same type of data of those competitors.

Volume and price information included in the financial spreadsheets and in the UPU IB Circulars also consist of sensitive commercial information of foreign postal operators. Disclosure of such information could be used by competitors of such postal

operators to assess the operators' underlying market sizes and its costs, and thereby develop benchmarks for the development of competitive alternatives.

**(5) At least one specific hypothetical, illustrative example of each alleged harm;**

Harm: Public disclosure of information in the rate charts, Governors' Decision No. 19-1, or financial work papers would be used by competitors and customers to the detriment of the Postal Service.

Hypothetical: A competing package delivery service obtains a copy of the unredacted version of the rate charts, formulas (including as reflected in the Governors' Decision), and financial work papers from the Postal Regulatory Commission's website. It analyzes the data to determine what the Postal Service would have to charge its customers (which may include foreign posts) in order for the Postal Service to meet its minimum statutory obligations for cost coverage and contribution to institutional costs. The competing package delivery service then sets its own rates for products similar to what the Postal Service offers other posts under that threshold and markets its ability to guarantee to beat the Postal Service on price for inbound parcels. By sustaining this below-market strategy for a relatively short period of time, the competitor, or all of the Postal Service's competitors acting in a likewise fashion, would freeze the Postal Service out of the inbound parcel delivery market.

Harm: Public disclosure of information in the rate charts or financial work papers would be used by a foreign postal operator's competitors to its detriment.

Hypothetical: A competing international delivery service obtains a copy of the unredacted version of the financial work papers from the Postal Regulatory Commission's website. The competitor analyzes the work papers to assess a foreign postal operator's underlying costs and volumes for the corresponding products. The

competitor uses that information to assess the market potential and negotiate with U.S. customs brokers and freight companies to develop lower-cost alternatives.

Harm: Public disclosure of information in the Governors' Decision No. 19-1, including the Governors' internal deliberative bases for setting competitive prices, would be used by competitors to the detriment of the Postal Service.

Hypothetical: A competing package delivery service obtains a copy of the unredacted version of the Governors' Decision from the Postal Regulatory Commission's website, revealing the Postal Service's internal deliberative bases for setting certain specific prices for competitively classified products. Moreover, if the Commission were to compel such disclosure, it might also compel disclosure of other unredacted Governors' Decisions, past and future. The internal deliberative pricing processes that the Postal Service uses to establish its prices for competitive products can, and does, vary at different times and for different competitive products. If the Commission gave competitors access to that type of information, and indeed also to such information over time as the Governors' Decisions may change, that may harm the Postal Service commercially, and unfairly, as it does not have access to its competitors' similar information.

Harm: Public disclosure of the data pertaining to the Postal Service's service performance bonuses and rate adjustments could be used by its competitors to its competitive detriment.

Hypothetical: A competing international delivery service obtains a copy of the unredacted version of the service performance data from the Postal Regulatory Commission's website. The competitor passes this information along to its sales and

marketing functions. The competitor then uses this performance information to develop plans to compete more effectively against the Postal Service and/or to develop comparative advertising and marketing.

**(6) The extent of protection from public disclosure deemed to be necessary;**

The Postal Service maintains that the redacted portions of the materials filed non-publicly should be withheld from persons involved in competitive decision-making in the relevant market for inbound parcel delivery (including both private sector integrators and foreign postal operators), as well as their consultants and attorneys. Additionally, the Postal Service believes that foreign postal operators, as well as actual or potential customers of a postal operator for this or similar products, should not be provided access to the non-public financial work papers.

**(7) The length of time deemed necessary for the non-public materials to be protected from public disclosure with justification thereof; and**

The Commission's regulations provide that non-public materials shall lose non-public status ten years after the date of filing with the Commission, unless otherwise provided by the Commission. 39 C.F.R. § 3011.401(a). However, because the Postal Service's relationships with customers often continue long beyond ten years, the Postal Service intends to oppose requests for disclosure of these materials pursuant to 39 C.F.R. § 3011.401(b-c).

**(8) Any other factors or reasons relevant to support the application.**

None.

**DECISION OF THE GOVERNORS OF THE UNITED STATES POSTAL SERVICE ON THE ESTABLISHMENT OF PRICES AND CLASSIFICATIONS FOR DOMESTIC COMPETITIVE AGREEMENTS, OUTBOUND INTERNATIONAL COMPETITIVE AGREEMENTS, INBOUND INTERNATIONAL COMPETITIVE AGREEMENTS, AND OTHER NON-PUBLISHED COMPETITIVE RATES (GOVERNORS' DECISION NO. 19-1)**

---

February 7, 2019

**STATEMENT OF EXPLANATION AND JUSTIFICATION**

Pursuant to our authority under section 3632 of title 39, as amended by the Postal Accountability and Enhancement Act of 2006 ("PAEA"), we establish new prices not of general applicability for certain of the Postal Service's competitive service offerings, and such changes in classification as are necessary to implement the new prices.

This decision establishes new prices for Domestic Competitive Agreements, Outbound International Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates. Domestic Competitive Agreements consist of negotiated service agreements with Postal Service customers for domestic services that are categorized as competitive in accordance with 39 U.S.C. § 3642(b)(1)-(2). Outbound International Competitive Agreements consist of negotiated service agreements with Postal Service customers for outbound international services that are categorized as competitive in accordance with 39 U.S.C. § 3642(b)(1)-(2). Inbound International Competitive Agreements consist of negotiated service agreements with foreign postal operators or other entities for inbound international services that are categorized as competitive in accordance with 39 U.S.C. § 3642(b)(1)-(2). Other Non-Published Competitive Rates consist of rates not of general applicability that are not embodied in contractual instruments.

With respect to any product within the above categories, management is hereby authorized to prepare any necessary product description, including text for inclusion in the Mail Classification Schedule, and to make all necessary regulatory filings with the Postal



[REDACTED]

Regulatory Commission. [REDACTED]  
[REDACTED]  
[REDACTED] [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

The Postal Accountability and Enhancement Act (PAEA) requires that prices for competitive products must cover each product's attributable costs, not result in subsidization by market dominant products, and enable all competitive products to contribute an appropriate share to the Postal Service's institutional costs. For agreements subject to this Decision, there are hereby established prices that will enable each agreement to cover at least 100 percent of the attributable costs for the relevant product and that conform in all other respects to 39 U.S.C. §§ 3632-3633 and 39 C.F.R. §§ 3015.5 and 3015.7. As discussed in the accompanying management analysis, the Chief Financial Officer (or his delegate(s)) shall certify that all cost inputs have been correctly identified for prices subject to this Decision and that all prices subject to this Decision conform to this Decision and to the requirements of the PAEA.

No agreement, grouping of functionally equivalent agreements, or other classification authorized pursuant to this Decision may go into effect unless it is submitted to the Postal Regulatory Commission with a notice that complies with 39 U.S.C. § 3632(b)(3). On a semi-annual basis, management shall furnish the Governors with a report on all non-published rate and classification initiatives, as specified in the accompanying Management Analysis. Not less than once each year, the Governors shall review the basis for this Decision and make such further determination as they may deem necessary. This Decision does not affect postal management's obligation to furnish to the Board of Governors information regarding any significant new program, policy, major modification, or initiative, or any other matter under 39 C.F.R. § 3.7(d), including where such a matter also falls within the scope of this Decision.

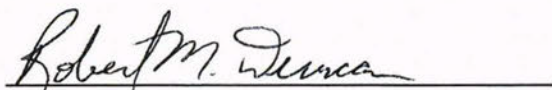
[REDACTED]

This Decision supersedes previous Governors' Decisions setting classifications and rates not of general applicability for competitive products; however, prices and classifications established under those Decisions may continue to be offered until the expiration of their terms, and contractual option periods and extension provisions that are included in the existing and future agreements can continue to be exercised.

## ORDER

In accordance with the foregoing Decision of the Governors, the new prices and terms set forth herein for Domestic Competitive Agreements, Outbound International Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates and the changes in classification necessary to implement those prices, are hereby approved and ordered into effect. An agreement or other nonpublished rate and classification initiative is authorized under this Decision only if the prices fall within this Decision and the certification process specified herein is followed. Prices and classification changes established pursuant to this Decision will take effect after filing with and completion of any necessary review by the Postal Regulatory Commission.

By The Governors:



Robert M. Duncan

Chairman, Board of Governors

Dear Sir/Madam,

The purpose of this circular is to inform designated operators (DOs) of the inward land rates (ILRs) applicable from 1 January 2023 until 30 June 2023. You will find the list of ILRs in Annex 1. These ILRs are based on the validation of parcel service features as prescribed in articles 33-201 and 33-202 of the Convention Regulations, and Postal Operations Council resolution CEP 1/2022.1.

The 2023 ILRs are based on the number of service features provided by DOs, the achievement of performance targets, where relevant, and any requests for inflation adjustments submitted by DOs in accordance with the conditions stipulated in article 33-202 of the Convention Regulations, as verified by the International Bureau (IB).

DOs are reminded that the prerequisites for eligibility to receive bonus payments based on service features, provided in resolution CEP 1/2022.1, are as follows:

- compliance with the provisions in article 22 of the Convention relating to mandatory acceptance of liability for lost, rifled and damaged parcels;
- provision to the IB of a sample of the UPU standard S10 item identifier;
- compliance with the rule on mandatory use of the UPU standard S10 item identifier as defined in article 17-215.1 of the Convention Regulations;
- compliance with the condition of having an entry in the Parcel Post Compendium Online.

A DO that does not meet all prerequisites above receives only its self-declared base rates or its inward land base rate (i.e. 71.4% of its 2004 inward land rates), plus any inflation-linked adjustment. The bonuses associated with the provision of parcel service features by individual DOs are outlined in Annex 2.

Any queries regarding the content of this circular should be sent to Mr Philippe Grondein, Remuneration Implementation and Capacity Building Expert ([philippe.grondein@upu.int](mailto:philippe.grondein@upu.int)), and copied to Mr Altamir Linhares, Postal Policy, Regulation and CA Matters Coordinator ([altamir.linhares@upu.int](mailto:altamir.linhares@upu.int)).


*This circular supersedes IB circular 161 of 26 September 2022.*

Yours faithfully,

Siva Somasundram  
Director of Policy, Regulation and Markets

## Annex 1

**Complete list of inward land rates effective from 1 January 2023**

<i>Code</i>	<i>Designated operator</i>	<i>Rate per parcel (SDR)</i>	<i>Rate per kg (SDR)</i>
AFA	Afghanistan – Surface parcels – Air parcels		
ALA	Albania		
DZA	Algeria		
AOA	Angola		
AGA	Antigua and Barbuda		
ARA	Argentina – Surface parcels – Air parcels		
AMA	Armenia		
AWA	Aruba		
AUA	Australia – Surface parcels – Air parcels		
ATA	Austria		
AZA	Azerbaijan		
BSA	Bahamas – Surface parcels – Air parcels		
BHA	Bahrain (Kingdom)		
BDA	Bangladesh – Surface parcels – Air parcels		
BBA	Barbados		
BYA	Belarus		
BEA	Belgium – Surface parcels – Air parcels		

<i>Code</i>	<i>Designated operator</i>	<i>Rate per parcel (SDR)</i>	<i>Rate per kg (SDR)</i>
BZA	Belize		
BJA	Benin		
BTA	Bhutan		
BOA	Bolivia – Surface parcels – Air parcels		
BAA	Bosnia and Herzegovina – JP BH Pošta		
BAB	Bosnia and Herzegovina – Pošta Srpske		
BAC	Bosnia and Herzegovina – Mostar		
BWA	Botswana		
BRA	Brazil		
BNA	Brunei Darussalam		
BGA	Bulgaria (Rep.)		
BFA	Burkina Faso		
BIA	Burundi		
KHA	Cambodia		
CMA	Cameroon		
CAA	Canada – Surface parcels – Air parcels		
CVA	Cape Verde – Surface parcels – Air parcels		
CFA	Central African Rep.		
TDA	Chad – Surface parcels – Air parcels		
CLA	Chile – Surface parcels – Air parcels		

<i>Code</i>	<i>Designated operator</i>	<i>Rate per parcel (SDR)</i>	<i>Rate per kg (SDR)</i>
CNA	China (People's Rep.) – Surface parcels – Air parcels		
HKA	– Hong Kong, China		
MOA	– Macao, China		
COA	Colombia – Surface parcels – Air parcels		
KMA	Comoros		
CGA	Congo (Rep.)		
CRA	Costa Rica		
CIA	Côte d'Ivoire (Rep.)		
HRA	Croatia		
CUA	Cuba – Surface parcels – Air parcels		
CWA	Curaçao		
CYA	Cyprus		
CZA	Czech Rep.		
KPA	Dem. People's Rep. of Korea		
CDA	Dem. Rep. of the Congo		
DKA	Denmark		
DJA	Djibouti		
DMA	Dominica		
DOA	Dominican Republic		
ECA	Ecuador – Surface parcels – Air parcels		
EGA	Egypt – Surface parcels – Air parcels		

<i>Code</i>	<i>Designated operator</i>	<i>Rate per parcel (SDR)</i>	<i>Rate per kg (SDR)</i>
SVA	El Salvador		
GQA	Equatorial Guinea		
ERA	Eritrea		
EEA	Estonia		
SZA	Eswatini		
ETA	Ethiopia		
FJA	Fiji		
FIA	Finland		
AXA	– Åland Islands		
FRA	France <sup>1</sup>		
PFA	– French Polynesia		
NCA	– New Caledonia		
WFA	– Wallis and Futuna Islands		
GAA	Gabon – Surface parcels – Air parcels		
GMA	Gambia		
GEA	Georgia		
DEA	Germany		
GHA	Ghana		
GRA	Greece		
GDA	Grenada		
GTA	Guatemala		
GNA	Guinea		
GWA	Guinea-Bissau		
GYA	Guyana – Surface parcels – Air parcels		
HTA	Haiti		

<sup>1</sup>

<i>Code</i>	<i>Designated operator</i>	<i>Rate per parcel (SDR)</i>	<i>Rate per kg (SDR)</i>
HNA	Honduras (Rep.) – Surface parcels – Air parcels		
HUA	Hungary		
ISA	Iceland		
INA	India – Surface parcels – Air parcels		
IDA	Indonesia – Surface parcels – Air parcels		
IRA	Iran (Islamic Rep.) – Surface parcels – Air parcels		
IQA	Iraq		
IEA	Ireland		
ILA	Israel		
ITA	Italy		
JMA	Jamaica		
JPA	Japan		
JOA	Jordan		
KZA	Kazakhstan – Surface parcels – Air parcels		
KEA	Kenya		
KIA	Kiribati		
KRA	Korea (Rep.)		
KWA	Kuwait		
KGA	Kyrgyzstan – Kyrgyz Pochtasy		
KGB	Kyrgyzstan – Kyrgyz Express Post		
LAA	Lao People's Dem. Rep.		



<i>Code</i>	<i>Designated operator</i>	<i>Rate per parcel (SDR)</i>	<i>Rate per kg (SDR)</i>
LVA	Latvia		
LBA	Lebanon		
LSA	Lesotho		
LRA	Liberia		
LIA	Liechtenstein		
LTA	Lithuania		
LUA	Luxembourg		
MGA	Madagascar		
MWA	Malawi		
MYA	Malaysia		
MVA	Maldives		
MLA	Mali		
MTA	Malta		
MRA	Mauritania		
MUA	Mauritius		
MXA	Mexico		
	– Surface parcels		
	– Air parcels		
MDA	Moldova		
MNA	Mongolia		
MEA	Montenegro		
MAA	Morocco		
MZA	Mozambique		
	– Surface parcels		
	– Air parcels		
MMA	Myanmar		
	– Surface parcels		
	– Air parcels		
NAA	Namibia		
NRA	Nauru		
NPA	Nepal		

<i>Code</i>	<i>Designated operator</i>	<i>Rate per parcel (SDR)</i>	<i>Rate per kg (SDR)</i>
NLA	Netherlands		
BQA	– Bonaire, Sint Eustatius and Saba		
NZA	New Zealand – Air parcels		
CKA	Cook Islands – Surface parcels – Air parcels		
NIA	Nicaragua		
NEA	Niger		
NGA	Nigeria		
MKA	North Macedonia		
NOA	Norway		
OMA	Oman		
PKA	Pakistan – Surface parcels – Air parcels		
PSA	Palestine		
PAA	Panama (Rep.)		
PGA	Papua New Guinea		
PYA	Paraguay – Surface parcels – Air parcels		
PEA	Peru – Surface parcels – Air parcels		
PHA	Philippines – Surface parcels – Air parcels		
PLA	Poland		
PTA	Portugal		
QAA	Qatar		

<i>Code</i>	<i>Designated operator</i>	<i>Rate per parcel (SDR)</i>	<i>Rate per kg (SDR)</i>
ROA	Romania – Surface parcels – Air parcels		
RUA	Russian Federation – Surface parcels – Air parcels		
RWA	Rwanda		
KNA	Saint Christopher (St Kitts) and Nevis		
LCA	Saint Lucia		
VCA	Saint Vincent and the Grenadines		
WSA	Samoa		
STA	Sao Tome and Principe		
SAA	Saudi Arabia – Air parcels		
SNA	Senegal		
RSA	Serbia		
SCA	Seychelles		
SLA	Sierra Leone		
SGA	Singapore		
SXA	Sint Maarten		
SKA	Slovakia		
SIA	Slovenia		
SBA	Solomon Islands		
SOA	Somalia		
ZAA	South Africa – Surface parcels – Air parcels		
SSA	South Sudan		
ESA	Spain		
LKA	Sri Lanka		

<i>Code</i>	<i>Designated operator</i>	<i>Rate per parcel (SDR)</i>	<i>Rate per kg (SDR)</i>
LYA	State of Libya – Surface parcels – Air parcels		
SDA	Sudan – Surface parcels – Air parcels		
SRA	Suriname		
SEA	Sweden		
CHA	Switzerland		
SYA	Syrian Arab Rep.		
TJA	Tajikistan		
TZA	Tanzania (United Rep.)		
THA	Thailand – Surface parcels – Air parcels		
TLA	Timor-Leste (Dem. Rep.)		
TGA	Togo		
TOA	Tonga (including Niuafo'ou)		
TTA	Trinidad and Tobago		
TNA	Tunisia		
TRA	Türkiye – Surface parcels – Air parcels		
TMA	Turkmenistan – Turkmenpost		
TMB	Turkmenistan – OSJC		
TVA	Tuvalu		
UGA	Uganda		
UAA	Ukraine		
AEA	United Arab Emirates		

<i>Code</i>	<i>Designated operator</i>	<i>Rate per parcel (SDR)</i>	<i>Rate per kg (SDR)</i>
GBA	United Kingdom		
AIA	– Anguilla		
ACA	– Ascension		
BMA	– Bermuda		
VGA	– British Virgin Islands		
KYA	– Cayman Islands		
FKA	– Falkland Islands (Malvinas)		
GIA	– Gibraltar		
JEA	– Jersey		
MSA	– Montserrat		
PNA	– Pitcairn Islands		
SHA	– St Helena		
TAA	– Tristan da Cunha		
TCA	– Turks and Caicos Islands		
USA	United States of America – Surface parcels – Air parcels		
UYA	Uruguay		
UZA	Uzbekistan		
VUA	Vanuatu		
VAA	Vatican		
VEA	Venezuela (Bolivarian Rep.) – Surface parcels – Air parcels		
VNA	Viet Nam – Surface parcels – Air parcels		
YEA	Yemen – Surface parcels – Air parcels		

<i>Code</i>	<i>Designated operator</i>	<i>Rate per parcel (SDR)</i>	<i>Rate per kg (SDR)</i>
ZMA	Zambia <ul style="list-style-type: none"><li>– Surface parcels</li><li>– Air parcels</li></ul>		
ZWA	Zimbabwe		

**Parcel service features provided by designated operators (for a complete description of the service features, see article 33-201 of the Convention Regulations)**

13

Code	Designated operator	Bonus for service feature 1 – Track and trace: 25%					Bonus for service feature 2 – Home delivery: 5%	Bonus for service feature 3 – Delivery standards: 5%	Bonus for service feature 4 – IBIS: 5%		
		EMC over EMD – Bonus: 2%	EMD over EMC – Bonus: 2%	EDH or EMH or EMI over EMD		EDC over EDB or EME – Bonus:			RESDES over PREDES – Bonus: 5%	Bonus for on-time responses: 3%	Bonus for opening requests received: 1%
AFA	Afghanistan										
ALA	Albania										
DZA	Algeria										
AOA	Angola										
AGA	Antigua and Barbuda <sup>2</sup>										
ARA	Argentina										
AMA	Armenia										
AWA	Aruba										
AUA	Australia										
ATA	Austria										
AZA	Azerbaijan										
BSA	Bahamas										
BHA	Bahrain (Kingdom)										
BDA	Bangladesh										
BBA	Barbados										
BYA	Belarus										
BEA	Belgium										
BZA	Belize										
BJA	Benin										
BTA	Bhutan										
BOA	Bolivia										

<sup>2</sup> [Redacted]

Code	Designated operator	Bonus for service feature 1 – Track and trace: 25%					Bonus for service feature 2 – Home delivery: 5%	Bonus for service feature 3 – Delivery standards: 5%	Bonus for service feature 4 – IBIS: 5%			
		EMC over EMD – Bonus: 2%	EMD over EMC – Bonus: 2%	EDH or EMH or EMI over EMD		EDC over EDB or EME – Bonus: 5%			RESDDES over PREDES – Bonus: 5%	Bonus for on-time responses: 3%	Bonus for opening requests received: 1%	Bonus for opening replies received: 1%
BAA	Bosnia and Herzegovina – JP BH Pošta											
BAB	Bosnia and Herzegovina – Pošta Srpske											
BAC	Bosnia and Herzegovina –Mostar											
BWA	Botswana											
BRA	Brazil											
BNA	Brunei Darussalam											
BGA	Bulgaria (Rep.)											
BFA	Burkina Faso											
BIA	Burundi											
KHA	Cambodia											
CMA	Cameroon											
CAA	Canada											
CVA	Cape Verde											
CFA	Central African Rep.											
TDA	Chad											
CLA	Chile											
CNA	China (People’s Rep.)											
HKA	– Hong Kong, China											
MOA	– Macao, China											
COA	Colombia											
KMA	Comoros											
CGA	Congo (Rep.)											
CRA	Costa Rica											
CIA	Côte d’Ivoire (Rep.)											



Code	Designated operator	Bonus for service feature 1 – Track and trace: 25%					Bonus for service feature 2 – Home delivery: 5%	Bonus for service feature 3 – Delivery standards: 5%	Bonus for service feature 4 – IBIS: 5%		
		EMC over EMD – Bonus: 2%	EMD over EMC – Bonus: 2%	EDH or EMH or EMI over EMD		EDC over EDB or EME – Bonus: 5%			Bonus for on-time responses: 3%	Bonus for opening requests received: 1%	Bonus for opening replies received: 1%
				Eligible for bonus	Bonus (max. 11%)						
HRA	Croatia										
CUA	Cuba										
CWA	Curaçao										
CYA	Cyprus										
CZA	Czech Rep.										
KPA	Dem. People's Rep. of Korea <sup>3</sup>										
CDA	Dem. Rep. of the Congo										
DKA	Denmark										
DJA	Djibouti										
DMA	Dominica										
DOA	Dominican Republic										
ECA	Ecuador										
EGA	Egypt										
SVA	El Salvador										
GQA	Equatorial Guinea <sup>4</sup>										
ERA	Eritrea										
EEA	Estonia										
SZA	Eswatini										
ETA	Ethiopia										
FJA	Fiji										
FIA	Finland										
AXA	– Åland Islands <sup>5</sup>										
FRA	France <sup>6</sup>										

3

Code	Designated operator	Bonus for service feature 1 – Track and trace: 25%					Bonus for service feature 2 – Home delivery: 5%	Bonus for service feature 3 – Delivery standards: 5%	Bonus for service feature 4 – IBIS: 5%		
		EMC over EMD – Bonus: 2%	EMD over EMC – Bonus: 2%	EDH or EMH or EMI over EMD		EDC over EDB or EME – Bonus: 5%			RESDES over PREDES – Bonus: 5%	Bonus for on-time responses: 3%	Bonus for opening requests received: 1%
PFA	– French Polynesia										
NCA	– New Caledonia										
WFA	– Wallis and Futuna Islands <sup>7</sup>										
GAA	Gabon										
GMA	Gambia										
GEA	Georgia										
DEA	Germany										
GHA	Ghana										
GRA	Greece										
GDA	Grenada										
GTA	Guatemala										
GNA	Guinea										
GWA	Guinea-Bissau <sup>8</sup>										
GYA	Guyana										
HTA	Haiti										
HNA	Honduras (Rep.) <sup>9</sup>										
HUA	Hungary										
ISA	Iceland										
INA	India										
IDA	Indonesia										
IRA	Iran (Islamic Rep.)										
IQA	Iraq										
IEA	Ireland										
ILA	Israel										

<sup>7</sup> [REDACTED]  
<sup>8</sup> [REDACTED]  
<sup>9</sup> [REDACTED]

Code	Designated operator	Bonus for service feature 1 – Track and trace: 25%					Bonus for service feature 2 – Home delivery: 5%	Bonus for service feature 3 – Delivery standards: 5%	Bonus for service feature 4 – IBIS: 5%			
		EMC over EMD – Bonus: 2%	EMD over EMC – Bonus: 2%	EDH or EMH or EMI over EMD		EDC over EDB or EME – Bonus: 5%			RESDS over PREDES – Bonus: 5%	Bonus for on-time responses: 3%	Bonus for opening requests received: 1%	Bonus for opening replies received: 1%
ITA	Italy											
JMA	Jamaica											
JPA	Japan											
JOA	Jordan											
KZA	Kazakhstan – Kazpost											
KEA	Kenya											
KIA	Kiribati											
KRA	Korea (Rep.)											
KWA	Kuwait											
KGA	Kyrgyzstan – Kyrgyz Pochtasy											
KGB	Kyrgyzstan – Kyrgyz Express Post											
LAA	Lao People's Dem. Rep.											
LVA	Latvia											
LBA	Lebanon											
LSA	Lesotho											
LRA	Liberia											
LIA	Liechtenstein											
LTA	Lithuania											
LUA	Luxembourg											
MGA	Madagascar											
MWA	Malawi											
MYA	Malaysia											
MVA	Maldives											
MLA	Mali											
MTA	Malta											
MRA	Mauritania											

Code	Designated operator	Bonus for service feature 1 – Track and trace: 25%					Bonus for service feature 2 – Home delivery: 5%	Bonus for service feature 3 – Delivery standards: 5%	Bonus for service feature 4 – IBIS: 5%		
		EMC over EMD – Bonus: 2%	EMD over EMC – Bonus: 2%	EDH or EMH or EMI over EMD		EDC over EDB or EME – Bonus: 5%			RESDES over PREDES – Bonus: 5%	Bonus for on-time responses: 3%	Bonus for opening requests received: 1%
MUA	Mauritius										
MXA	Mexico										
MDA	Moldova										
MNA	Mongolia										
MEA	Montenegro										
MAA	Morocco										
MZA	Mozambique										
MMA	Myanmar										
NAA	Namibia										
NRA	Nauru										
NPA	Nepal										
NLA	Netherlands										
BQA	– Bonaire, Sint Eustatius and Saba										
NZA	New Zealand										
CKA	– Cook Islands										
NIA	Nicaragua										
NEA	Niger										
NGA	Nigeria										
MKA	North Macedonia										
NOA	Norway										
OMA	Oman										
PKA	Pakistan										
PSA	Palestine										
PAA	Panama (Rep.)										
PGA	Papua New Guinea										
PYA	Paraguay										
PEA	Peru										

Code	Designated operator	Bonus for service feature 1 – Track and trace: 25%					Bonus for service feature 2 – Home delivery: 5%	Bonus for service feature 3 – Delivery standards: 5%	Bonus for service feature 4 – IBIS: 5%			
		EMC over EMD – Bonus: 2%	EMD over EMC – Bonus: 2%	EDH or EMH or EMI over EMD		EDC over EDB or EME – Bonus: 5%			RESDES over PREDES – Bonus: 5%	Bonus for on-time responses: 3%	Bonus for opening requests received: 1%	Bonus for opening replies received: 1%
PHA	Philippines											
PLA	Poland											
PTA	Portugal											
QAA	Qatar											
ROA	Romania											
RUA	Russian Federation											
RWA	Rwanda											
KNA	Saint Christopher (St Kitts) and Nevis											
LCA	Saint Lucia											
VCA	Saint Vincent and the Grenadines											
WSA	Samoa											
STA	Sao Tome and Principe											
SAA	Saudi Arabia											
SNA	Senegal											
RSA	Serbia											
SCA	Seychelles											
SLA	Sierra Leone											
SGA	Singapore											
SXA	Sint Maarten											
SKA	Slovakia											
SIA	Slovenia											
SBA	Solomon Islands											
SOA	Somalia <sup>10</sup>											
ZAA	South Africa											

[illegible]

Code	Designated operator	Bonus for service feature 1 – Track and trace: 25%					Bonus for service feature 2 – Home delivery: 5%	Bonus for service feature 3 – Delivery standards: 5%	Bonus for service feature 4 – IBIS: 5%		
		EMC over EMD – Bonus: 2%	EMD over EMC – Bonus: 2%	EDH or EMH or EMI over EMD		EDC over EDB or EME – Bonus: 5%			Bonus for on-time responses: 3%	Bonus for opening requests received: 1%	Bonus for opening replies received: 1%
				Eligible for bonus	Bonus (max. 11%)						
GBA	United Kingdom										
AIA	– Anguilla										
ACA	– Ascension										
BMA	– Bermuda										
VGA	– British Virgin Islands										
KYA	– Cayman Islands										
FKA	– Falkland Islands (Malvinas)										
GIA	– Gibraltar										
JEA	– Jersey										
MSA	– Montserrat										
PNA	– Pitcairn Islands <sup>11</sup>										
SHA	– St Helena										
TAA	– Tristan da Cunha <sup>12</sup>										
TCA	– Turks and Caicos Islands <sup>13</sup>										
USA	United States of America										
UYA	Uruguay										
UZA	Uzbekistan										
VUA	Vanuatu										
VAA	Vatican										
VEA	Venezuela (Bolivarian Rep.)										
VNA	Viet Nam										
YEA	Yemen										

11 [REDACTED]  
12 [REDACTED]  
13 [REDACTED]

Code	Designated operator	Bonus for service feature 1 – Track and trace: 25%					Bonus for service feature 2 – Home delivery: 5%	Bonus for service feature 3 – Delivery standards: 5%	Bonus for service feature 4 – IBIS: 5%			
		EMC over EMD – Bonus: 2%	EMD over EMC – Bonus: 2%	EDH or EMH or EMI over EMD		EDC over EDB or EME – Bonus: 5%			RESDES over PREDES – Bonus: 5%	Bonus for on-time responses: 3%	Bonus for opening requests received: 1%	Bonus for opening replies received: 1%
				Eligible for bonus	Bonus (max. 11%)							
ZMA	Zambia											
ZWA	Zimbabwe											

# Note

## Handling of force majeure cases resulting from the COVID-19 pandemic in relation to parcel-post items

Owing to the ongoing global situation caused by the COVID-19 pandemic, the IB has received requests concerning force majeure cases from the DOs of various member countries. A significant number of the force majeure cases invoked in 2020 are still open, with DOs still unable to fulfil their obligations in relation to quality of service or performance for reasons that are beyond their control and not attributable to any act or failure on their part.

At its 2022.2 session (see document POC 2022.2–Doc 4), Committee 2 of the Postal Operations Council (POC) adopted a proposal, set out in document POC C 2 2022.2–Doc 3d. Rev 1, to address 89 force majeure cases linked to the COVID-19 pandemic and affecting parcel performance, as follows:

- Sixty-nine DOs invoked force majeure cases attributable to the COVID-19 pandemic and affecting the postal supply chain for the entire period from February to July 2022. The POC decided to apply the same rule for the handling of force majeure for parcel-post items as that applied to ILRs for all DOs from the beginning of the pandemic until December 2021. Thus, performance for the reporting period from February to July 2022 will be based on that of the reporting period prior to the pandemic, i.e. August 2019 to January 2020, for these 69 DOs. Consequently, these results have been applied to ILRs from 1 January to 30 June 2023.
- Twenty DOs claimed that some, but not all, items were affected during the periods covered by force majeure cases. Given that, according to resolution CEP 1/2022.1, the minimum period of performance results to be considered valid in a six-month report is two months, the POC decided to exclude only the affected items from the calculation for the performance reporting period from February to July 2022 for these 20 DOs.

The IB has applied the aforementioned POC decisions regarding the 89 force majeure cases concerned and produced the revised six-month parcel performance report. Consequently, IB circular No. 161 of 26 September 2022, on the ILRs applicable for the period from January to June 2023, has been revised accordingly and is superseded by this circular based on the recalculated bonuses and validation of parcel service features as prescribed in articles 33-201 and 33-202 of the Convention Regulations and resolution CEP 1/2022.1.



### **Certification of Prices for Inbound Parcel Post (at UPU Rates)**

I, Karen Meehan, Director of International Pricing and Financial Reporting, United States Postal Service, am familiar with the prices for Inbound Parcel Post (at UPU Rates). The prices were established by the Decision of the Governors of the United States Postal Service on the Establishment of Prices and Classifications for Domestic Competitive Agreements, Outbound International Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates, issued February 7, 2019 (Governors' Decision No. 19-1).

I hereby certify that the data submitted in support of these prices are accurate and that the numerical revenue and cost values underlying the prices for Inbound Parcel Post (at UPU Rates) are the appropriate data to use in the formulas and represent the best available information. With these new prices, Inbound Parcel Post (at UPU Rates) and competitive products in total will comply with 39 U.S.C. § 3633(a). The prices demonstrate that Inbound Parcel Post (at UPU Rates) should cover their attributable costs and preclude the subsidization of competitive products by market-dominant products. International competitive mail accounts for a relatively small percentage of the total contribution by all competitive products. Contribution from Inbound Parcel Post (at UPU Rates) should be even smaller. Inbound Parcel Post (at UPU Rates) should not impair the ability of competitive products on the whole to cover an appropriate share of institutional costs.

**Karen B.  
Meehan**

Digitally signed by Karen  
B. Meehan  
Date: 2022.11.22 13:19:34  
-05'00'

---

Karen Meehan

11/22/2022

---

Date

**Dear All (Veuillez voir ci-après la version en français du présent message),**

Please find attached the six-month Parcels Performance Measurement Report which is used for the assessment of the 1 July 2020 inward land rates in relation to the eligibility of individual designated operators to receive the bonuses associated with track and trace and IBIS. The enclosed reports covers the period from 1 August 2019 to 31 January 2020. The Consolidated "Inbound Performance Report" and the Consolidated "Outbound Performance report" are used to assess operators' eligibility to receive bonuses for 1 July 2020 ILRs as follows:

	ILR BONUS SYSTEM FOR 2020			
	Performance indicators related with EMC, EMD events	Performance indicators related with EDB, EME and EDC events	Performance indicators related with PREDES and RESDES messages	Performance indicators related with EDH, EMH and EMI events
Operational definition	<p>The percentage of items which received an EMC event against the number of items for which an EMD event was sent by the destination operators: EMC over EMD - Outbound ratio.</p> <p>The percentage of items which received an EMD event against the number of items for which an EMC event was sent by the origin operator: EMD over EMC - Inbound ratio.</p> <p>Transmission EMC and EMD events</p>	<p>Items returned from import customs (EDC) as % of items previously presented to or held by import Customs: EDC over EDB or EME.</p> <p>Transmission of EDC events.</p>	<p>Dispatches to an individual operator for which a response to dispatch (RESDES) was provided as % of all dispatches for which a pre-advice of dispatch (PREDES) was sent.</p> <p>RESDES over PREDES *****</p> <p>Transmission of PREDES and RESDES messages.<sup>1</sup></p>	<p>The percentage of items which received an EDH, EMH and/or EMI event against the number of items received (and scanned EMD) at the inward OE.</p> <p>EDH or EMH or EMI over EMD</p> <p>Transmission of EDH, EMH, EMI events<sup>2</sup></p>
Performance targets	<p><u>Related to EMC events</u> Minimum ratios of 80%:</p> <ul style="list-style-type: none"> <li>- EMC over EMD;</li> <li>- EMC transmitted within 24 elapsed hours;</li> </ul> <p><u>Related to EMD events</u> Minimum ratios of 60%:</p> <ul style="list-style-type: none"> <li>- EMD over EMC;</li> <li>- EMD transmitted within 24 elapsed hours</li> </ul>	<p>Minimum ratio of 80%:</p> <ul style="list-style-type: none"> <li>- EDC over EDB or EME events.</li> <li>- EDC transmitted within 24 elapsed hours</li> </ul>	<p>1. Minimum number of partners receiving PREDES messages: 5</p> <p>2. Minimum RESDES over PREDES ratio: 80%</p> <p>2.1 PREDES messages transmitted within 24 elapsed hours.</p> <p>2.2 RESDES messages transmitted within 24 elapsed hours.</p>	<p>Minimum range ratio from 80% to 90%:</p> <ul style="list-style-type: none"> <li>- EMH/EMI over EMD events;</li> <li>- EDH/EMH/EMI transmitted within 48 hours of the event time and date</li> </ul>

<sup>1</sup> Since 1 February 2016 the use of PREDES (version 2.1 or later) and RESDES (version 1.1 or later) is mandatory according to Regulations article 17-216.2. Therefore, only PREDES 2.1 or later and RESDES 1.1 or later messages are considered in the six-month Parcels Performance Measurement Report.

<sup>2</sup> The use of EMSEVT v3.0 is mandatory for parcels according to Regulations article 17-216.1 since 1 January 2018 and is implemented in all parcels performance reports since 1 February 2018.

Bonus percentage	2% for EMC 2% for EMD	5%	5%	<b>1% for 80% Perf.    6% for 85% Perf.</b> <b>2% for 81% Perf.    7% for 86% Perf.</b> <b>3% for 82% Perf.    8% for 87% Perf.</b> <b>4% for 83% Perf.    9% for 88% Perf</b> <b>5% for 84% Perf.    10% for 89% Perf</b> <b>11% for 90% Perf. or higher</b>
References to the Regulations	Res CEP 3/2019.1; Regs Articles: 17-216.1.1; 17-217; 17-218.1.1; 32-201.4.1.1.1; 32-201.4.1.1.2.	Res CEP 3/2019.1; Regs Articles: 17-216.1.1; 17-217; 32-201.4.1.2.	Res CEP 3/2019.1; Regs Articles: 17-216.2; 17-217.2; 32-201.4.1.3.	Res CEP 3/2019.1; Regs Articles: 17-216.1.1; 17-217; 17-218.1.2; 32-201.4.1.1.3.

In addition, you will also find enclosed the Internet-based Inquiry System (IBIS) six-month report. This report is used by the International Bureau to assess operators' eligibility to receive the total of 5% bonus associated with the use of IBIS as defined in Regulations Articles 21-003.7 and 32-201.4.4:

- 3% for achieving the target of 90% on-time responses to inquiries.
- 1% for opening requests received (within a maximum average time of 16 working hours).
- 1% for opening replies received (within a maximum average time of 16 working hours).

For further information on these reports, please contact: [parcels@upu.int](mailto:parcels@upu.int)

However, if you received this report in error, please inform the PTC helpdesk, [ptc.support@upu.int](mailto:ptc.support@upu.int).

Best regards,

**Quality Improvement Programme Team**

## Period: August 2019 - January 2020

### Explanation of measurements:

The reports show the measured performance of all parcels (Air, Surface and SAL) for the specified period and cover the EDI data received by the International Post Corporation (IPC) and the UPU Postal Technology Centre (PTC) by the 10th day of the following month. The measurement of performance is item specific (events relate to the same parcel) so as to avoid double counting of scanned events. For detailed information on the parcel measurement reports, a Guide to the Parcels reports is available at the UPU website: <http://www.upu.int/en/activities/parcels/publications.html>

Since the transportation for Surface and SAL parcels can take a considerable amount of time, the calculations of cross-border ratios use a special algorithm that also takes into account data in respect of all items despatched from outward office of exchange (Event EMC) or other outbound events – EMA or EMB) from the previous two months. This is to allow sufficient time for all the information concerned to be captured into the database. Under such circumstances, the calculation of the following two ratios is not item specific:

- Items arriving at inward office of exchange (Event EMD) as a percentage of parcels despatched from outward office of exchange (Event EMC)
- Items made available at collection point for pick-up (by recipient), or attempted/unsuccessfully delivered or finally delivered (Events EDH, EMH or EMI) as a percentage of parcels
- items with a scanned EMD event as a percentage of parcels sent by the originating operator during the selected month (Events EMA, EMB, or EMC)

The performance reports comprise the following four sets of reports:

- All Operators Inbound Performance Report: Your inbound performance compared to your partners' inbound performance.
- All Operators Outbound Performance Report: Your outbound performance compared to your partners' outbound performance.
- Outbound Item Report: (each Delivery Operator's performance on parcels sent from the Originating Operator) – This report shows how other operators perform for parcels originated from your country.
- Inbound Item Report: (The Delivery Operator's performance on parcels received from each Originating Operator) – This report shows how you perform for parcels received from other countries.

Each set of these reports is made up of the following four separate reports to show the performance of the different categories of parcels:

- Consolidated Report (All parcels)
- Air (Priority) Report
- Surface/SAL Report
- Report on Parcels with no PREDES V2.1 information (It is not possible to identify whether these parcels are Air [Priority] or Surface/SAL parcels)

The separate reports for Air (Priority) and Surface/SAL parcels can only be produced for those operators that transmit PREDES V2.1 messages.

### Measurable events and messages\*:

The events measured in the reports include:

- |           |  |
|-----------|--|
| Event EMA | - Posting / Collection                       |
| Event EMB | - Arrival at outward office of exchange      |
| Event EMC | - Departure from outward office of exchange  |
| Event EMD | - Arrival at inward office of exchange       |
| Event EDB | Item presented to import Customs             |
| Event EME | - Item held by Customs                       |
| Event EDC | - Item returned from import Customs          |
| Event EMH | - Attempted/Unsuccessful (physical) delivery |
| Event EMI | - Final delivery                             |

- |           |   |
|-----------|---|
| Event EMJ | - Arrival at transit office of exchange     |
| Event EMK | - Departure from transit office of exchange |

The messages measured in the reports include:

- |             |   |
|-------------|---|
| PREDES V2.1 | - pre-advice of despatch prepared                 |
| RESDES V1.1 | - administration confirmation of despatch receipt |

\* All item level tracking information are mandatory and based on EMSEVT V3 (Article 16-216)

### Performance Reports:

#### 1. All Operators Inbound Performance Report

This set of reports show the aggregated performance of all operators in processing all their inbound parcels.

The percentage figures are calculated based on the number of parcels with a particular event over the same parcels with another event. The performance results include:

##### Scanning performance (%)

- Event EMD over items sent\*. Minimum performance targets are approved by POC (refer to Parcel Post Manual). An item is considered sent if it has one of the outbound EMSEVT events: EMA, EMB or EMC transmitted.
- Event EMD over Event EMC\*. Minimum performance targets are approved by POC (refer to Parcel Post Manual).
- Event EDC over Event EDB or EME. Minimum performance targets are approved by POC (refer to Parcel Post Manual).
- Event EDH or EMH or EMI over Event EMC\*
- Event EDH or EMH or EMI over Event EMD. Minimum performance targets are approved by POC (refer to Parcel Post Manual).
- Event EMI over Event EMD
- Event EDH or EMH no EMI over Event EMD
- Event EMK over Event EMJ
- RESDES V1.1 over PREDES V2.1. Minimum performance targets are approved by POC (refer to Parcel Post Manual).

##### Transmission (%) – Event scans

- Event EMD transmitted within 24 hours
- Event EDH or EMH or EMI transmitted within 48 hours
- Event EDC transmitted within 24 hours
- RESDES messages transmitted within 24 hours

##### Delivery performance (%) – Time between EMD and EDH/EMH/EMI

- Percentage of parcels taking between 2 to 10 or more calendar days for delivery, excluding the time parcels are held in Customs. The data shown are cumulative figures.
- No delivery information - Percentage of parcels that do not have Event EDH or EMH or EMI
- Out of sequence - Percentage of parcels with scan events that are not in chronological order. These items are excluded from the performance calculation.

#### Note:

##### \* The interpretation of possible results for this ratio are:

- When the result is less than 100%, the Delivery Operator is not capturing all its inbound parcels
- When the result is equal to 100%, the Delivery Operator is capturing all its inbound parcels
- When the result is more than 100%, the Originating Operator is not capturing all its outbound parcels

#### 2. All Operators Outbound Performance Report

This set of reports shows the aggregated performance of all operators in processing their outbound parcels.

The percentage figures are calculated based on the number of parcels with a particular event over the same parcels with another event. The performance results include:

##### Scanning performance (%)

- Event EMC over items received. Minimum performance targets are approved by POC (refer to Parcel Post Manual).
- Event EMC over EMD. Minimum performance targets are approved by POC (refer to Parcel Post Manual).

##### Transmission (%) – Event scans

- Event EMA transmitted within 24 hours
- Event EMB transmitted within 24 hours
- Event EMC transmitted within 24 hours
- PREDES messages transmitted within 24 hours

### 3. Inbound Item Report

This set of reports shows the performance of the Delivery Operator on parcels from each Originating Operator. This includes:

#### Parcels with events received by Delivery Operator

- Number of parcels received from each Originating Operator (based on Events EMA, EMB and EMC)
- Number of parcels received from each Originating Operator with information on:
  - Event EMA
  - Event EMB
  - Event EMC

#### Parcels with events sent to partners

- Number of parcels from each Originating Operator arriving at the inward OE (based on Events EMD to EMI)
- Number of parcels processed by the Delivery Operator with information on:
  - Event EMD
  - Event EDB
  - Event EME
  - Event EDC
  - Event EDH
  - Event EMH
  - Event EMI

#### Scanning performance (%)

- Event EMD over items sent\*. Minimum performance targets are approved by POC (refer to Parcel Post Manual).
- Event EDB or EME over Event EMD
- Event EDC over Event EDB or EME. Minimum performance targets are approved by POC (refer to Parcel Post Manual).
- Event EDH or EMH or EMI over Event EMD. Minimum performance targets are approved by POC (refer to Parcel Post Manual).
- Event EDH or EMH no EMI over Event EMD

#### Delivery performance (%) – Time between EMD and EDH/EMH/EMI

- Percentage of parcels taking between 2 to 10 or more calendar days for delivery, including the time parcels are held in Customs. The data shown are cumulative figures.

#### No information - No delivery information

- Number of parcels with no attempted or final delivery information or were not made available at collection point for pick-up (by recipient)

#### Note:

\* The interpretation of possible results for this ratio are

- When the result is less than 100%, the Delivery Operator is not capturing all its inbound parcels

- When the result is equal to 100%, the Delivery Operator is capturing all its inbound parcels
- When the result is more than 100%, the Originating Operator is not capturing all its inbound parcels

### 4. Outbound Item Report

This set of reports show the performance of each Delivery Operator on parcels from the Originating Operator. This includes:

#### Parcels with events sent by Originating Operator

- Number of parcels sent to each Delivery Operator (based on Events EMA, EMB and EMC)
- Number of parcels sent to each Delivery Operator with information on:
  - Event EMA
  - Event EMB
  - Event EMC

#### Parcels with events received from partners

- Number of parcels arriving at the inward OE of the Delivery Operator (based on Events EMD to EMI)
- Number of parcels processed by the Delivery Operator with information on:
  - Event EMD
  - Event EDB
  - Event EME
  - Event EDC
  - Event EDH
  - Event EMH
  - Event EMI

#### Scanning performance (%)

- Event EMD over items sent\*. Minimum performance targets are approved by POC (refer to Parcel Post Manual).
- Event EDB or EME over Event EMD
- Event EDC over Event EDB or EME. Minimum performance targets are approved by POC (refer to Parcel Post Manual).
- Event EDH or EMH or EMI over Event EMD. Minimum performance targets are approved by POC (refer to Parcel Post Manual).
- Event EDH or EMH no EMI over Event EMD

#### Delivery performance (%) – Time between EMD and EDH/EMH/EMI

- Percentage of parcels taking between 2 to 10 or more calendar days for delivery, excluding the time parcels are held in Customs. The data shown are cumulative figures.

#### No information - No delivery information

- Number of parcels with no attempted or final delivery information or were not made available at collection point for pick-up (by recipient)

## Inbound Performance Report, August 2019 - January 2020

Consolidated	Scanning performance (%)									Transmission (%)				Messages	Delivery performance (%)									
										Event scans					RESDES partners	Time between EMD and EDH/EMH/EMI (in calendar days)								No deliv. info.
Delivery Operator	EMD/ items sent*	EMD/ EMC*	EDC/ EDB or EME	EDH or EMH or EMI /EMC*	EDH or EMH or EMI / EMD	EMI/ EMD	EDH or EMH no EMI /EMD	EMK/ EMJ	RESDES over PREDES	EMD < 24hrs	EDH or EMH or EMI < 48hrs	EDC < 24hrs	RESDES < 24hrs	No. of RESDES partners	< 2 days	< 3 days	< 4 days	< 5 days	< 6 days	< 7 days	<10 days	>10 days		
SNA																								
SOA																								
SRA																								
STA																								
SVA																								
SXA																								
SYA																								
SZA																								
TCA																								
TDA																								
TGA																								
THA																								
TJA																								
TLA																								
TMA																								
TNA																								
TOA																								
TRA																								
TTA																								
TVA																								
TZA																								
UAA																								
UGA																								
USA																								
UYA																								
UZA																								
VAA																								
VCA																								



## 6-Months Parcels Measurement Reports

Attachment 5 to Postal Service Notice dated November 22, 2022; PRC Docket No. CP2023-54

### Inbound Outbound Performance Report

All Operators

2020-02-17 14:01 (UTC/GMT)

QCS Mail 2.5 © Copyright UPU 2007-2010, v5.1

(Prepared by the Universal Postal Union)

### Outbound Performance Report, August 2019 - January 2020

Consolidated	Scanning performance (%)		Transmission (%)				Messages
			Event scans				
Originating Operator	EMC / items received	EMC/EMD	EMA < 24hrs	EMB < 24hrs	EMC < 24hrs	PREDES < 24hrs	No. of PREDES partners
TJA							
TLA							
TMA							
TNA							
TOA							
TRA							
TTA							
TVA							
TZA							
UAA							
UGA							
USA							
UYA							
UZA							
VAA							
VCA							
VEA							
VGA							
VNA							
VUA							
WSA							
YEA							
ZAA							
ZMA							
ZWA							
Total							





**Documentation Supporting US Request for Inflation Adjustment to its UPU Parcels ILR  
(US Bureau of Labor Statistics: Chart with Increases in CPI-U for July 2021 – July 2022)**

**Table 1. Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, by expenditure category, July 2022**  
[1982-84=100, unless otherwise noted]

Expenditure category	Relative importance Jun. 2022	Unadjusted indexes			Unadjusted percent change		Seasonally adjusted percent change		
		Jul. 2021	Jun. 2022	Jul. 2022	Jul. 2021- Jul. 2022	Jun. 2022- Jul. 2022	Apr. 2022- May 2022	May 2022- Jun. 2022	Jun. 2022- Jul. 2022
All items.....	100.000	273.003	296.311	296.276	8.5	0.0	1.0	1.3	0.0
Food.....	13.372	278.127	305.041	308.532	10.9	1.1	1.2	1.0	1.1
Food at home.....	8.295	259.022	288.884	292.972	13.1	1.4	1.4	1.0	1.3
Cereals and bakery products.....	1.064	289.533	326.378	332.968	15.0	2.0	1.5	2.1	1.8
Meats, poultry, fish, and eggs.....	1.887	286.994	316.110	318.141	10.9	0.6	1.1	-0.4	0.5
Dairy and related products.....	0.785	231.233	261.255	265.638	14.9	1.7	2.9	1.7	1.7
Fruits and vegetables.....	1.402	312.875	340.594	341.839	9.3	0.4	0.6	0.7	0.5
Nonalcoholic beverages and beverage materials.....	0.945	180.136	200.876	204.944	13.8	2.0	1.7	0.8	2.3
Other food at home.....	2.212	222.116	252.015	257.295	15.8	2.1	1.6	1.8	1.8
Food away from home <sup>1</sup> .....	5.077	308.023	329.033	331.342	7.6	0.7	0.7	0.9	0.7
Energy.....	9.200	244.800	340.917	325.407	32.9	-4.5	3.9	7.5	-4.6
Energy commodities.....	5.598	280.040	439.256	405.676	44.9	-7.6	4.5	10.4	-7.6
Fuel oil <sup>1</sup> .....	0.186	282.484	557.440	495.910	75.6	-11.0	16.9	-1.2	-11.0
Motor fuel.....	5.337	276.650	432.585	399.682	44.5	-7.6	4.1	11.0	-7.6
Gasoline (all types).....	5.227	275.656	430.142	396.952	44.0	-7.7	4.1	11.2	-7.7
Energy services.....	3.602	221.196	262.048	262.731	18.8	0.3	3.0	3.5	0.1
Electricity.....	2.609	227.672	257.557	262.347	15.2	1.9	1.3	1.7	1.6
Utility (piped) gas service.....	0.993	198.207	269.278	258.666	30.5	-3.9	8.0	8.2	-3.6
All items less food and energy.....	77.428	279.146	294.680	295.646	5.9	0.3	0.6	0.7	0.3
Commodities less food and energy.....	21.122	155.873	166.403	166.746	7.0	0.2	0.7	0.8	0.2
Apparel.....	2.419	119.078	126.619	125.188	5.1	-1.1	0.7	0.8	-0.1
New vehicles.....	3.999	157.203	172.546	173.618	10.4	0.6	1.0	0.7	0.6
Used cars and trucks.....	4.008	200.425	212.980	213.683	6.6	0.3	1.8	1.6	-0.4
Medical care commodities <sup>1</sup> .....	1.465	376.323	387.787	390.077	3.7	0.6	0.3	0.4	0.6
Alcoholic beverages.....	0.862	263.226	273.537	274.344	4.2	0.3	0.5	0.4	0.5
Tobacco and smoking products <sup>1</sup> .....	0.510	1,253.276	1,346.046	1,349.636	7.7	0.3	0.9	0.6	0.3
Services less energy services.....	56.306	355.375	373.664	375.060	5.5	0.4	0.6	0.7	0.4
Shelter.....	32.065	335.812	352.967	354.935	5.7	0.6	0.6	0.6	0.5
Rent of primary residence.....	7.195	348.469	367.927	370.448	6.3	0.7	0.6	0.8	0.7
Owners' equivalent rent of residences <sup>2</sup> .....	23.502	343.293	361.018	363.311	5.8	0.6	0.6	0.7	0.6
Medical care services.....	6.772	571.934	598.035	601.056	5.1	0.5	0.4	0.7	0.4
Physicians' services <sup>1</sup> .....	1.797	408.445	410.729	411.846	0.8	0.3	-0.1	0.1	0.3
Hospital services <sup>3</sup> .....	2.117	363.254	375.318	377.415	3.9	0.6	0.5	0.3	0.5
Transportation services.....	5.900	332.917	365.178	363.389	9.2	-0.5	1.3	2.1	-0.5
Motor vehicle maintenance and repair <sup>1</sup> .....	1.023	318.031	340.058	343.678	8.1	1.1	0.5	2.0	1.1
Motor vehicle insurance.....	2.384	567.463	603.932	609.585	7.4	0.9	0.5	1.9	1.3
Airline fares.....	0.745	243.613	344.101	311.205	27.7	-9.6	12.6	-1.8	-7.8

<sup>1</sup> Not seasonally adjusted.

<sup>2</sup> Indexes on a December 1982=100 base.

<sup>3</sup> Indexes on a December 1996=100 base.